



Senate

General Assembly

January Session, 2013

File No. 182

Senate Bill No. 704

Senate, March 27, 2013

The Committee on Labor and Public Employees reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING REEMPLOYMENT AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-438 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2013*):

3 (a) Any member retired under this part who again accepts
4 employment from this state or from any municipality of this state other
5 than a participating municipality, shall continue to receive his or her
6 retirement allowance while so employed, and shall be eligible to
7 participate, and shall be entitled to credit, in the state retirement
8 system for the period of such state employment, but any such member
9 shall not be eligible to participate or be entitled to credit in any
10 municipal retirement system for the period of such municipal
11 employment.

12 (b) If a member is retired under this part and again accepts
13 employment from the same municipality from which he or she was

14 retired or any other participating municipality, he or she shall be
15 eligible to participate, and shall be entitled to credit, in the municipal
16 employees' retirement system for the period of such municipal
17 employment. Such member shall receive no retirement allowance
18 while so employed except if (1) such employment is for less than
19 twenty hours per week, [or] (2) his or her services are rendered for not
20 more than ninety working days in any one calendar year, provided
21 that any member reemployed for a period of more than ninety
22 working days in one calendar year shall reimburse the Municipal
23 Employees' Retirement Fund for retirement income payments received
24 during such ninety working days, or (3) such member does not
25 participate in the municipal employees' retirement system during the
26 period of his or her reemployment.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2013	7-438
-----------	-----------------	-------

LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill is not anticipated to result in a fiscal impact to municipalities as the bill does not change the pension benefit retirees are entitled to once they retire. The bill allows retirees who are reemployed more than 20 hours per week or 90 days per year to continue to collect their pension as long as they do not participate in the Municipal Employment Retirement System while reemployed.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**SB 704*****AN ACT CONCERNING REEMPLOYMENT AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM.*****SUMMARY:**

Under current law, an employee collecting retirement benefits from the Municipal Employees' Retirement System (MERS) must stop collecting benefits if he or she returns to work for his or her former municipal employer, or any other municipality that participates in MERS, for more than 20 hours per week or 90 days per year. This bill allows such an employee to continue to collect MERS benefits as long as he or she does not participate in MERS during the reemployment.

Administered by the state retirement commission, MERS is a statewide pension system for municipal employees that municipalities can opt into by agreeing to meet specified financial requirements. Participating municipalities are not required to enroll all of their employees and can allow some of their employees or unions to participate while others do not.

EFFECTIVE DATE: October 1, 2013

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 11 Nay 0 (03/14/2013)